

EXHIBIT C-2

Pacific Thomas Corporation dba Pacific Thomas Capital
2009 Tax Return Comparison

QuickBooks Description	Per QuickBooks	Tax Return Caption	Per Tax Return	T/R reference	Difference	Reconciliation comments
4010 - SAFE STORAGE RENTAL INCOME	1,107,820					
4030 - COMMISSION - PENSKE	2,436					
4040 - MERCHANDISE SALES	6,513					
4050 - PROPERTY RENTAL INCOME	5,390					
4070 - CASH, OVER/SHORT	(8)					
4080 - MISCELLANEOUS INCOME	110					
4090 - RENTAL INCOME VARIANCE	(97)					
4100 - OTHER INCOME	3,757					
6100 - DIVIDEND INCOME	14,094					
		Gross Receipts or Sales	1,122,164	11205, page 1, line 1		
		Other Income (loss)	25,817	11205, page 1, line 5		
		Dividend Income	12,813	11205, page 18, stmt 12		
Total Revenues	1,140,015		1,160,794		20,779	Unknown
5000 - COST OF GOODS SOLD	(3,378)	Cost of Goods Sold	(3,378)	11205, page 1, line 2		
5500 - REPAIRS AND MAINTENANCE	(14,501)	Repairs and Maintenance	(14,501)	11205, page 1, line 9		
5110 - LICENSES AND PERMITS	(3,227)	Taxes and licenses	(3,227)	11205, page 14, stmt 2		
5801 - REAL PROPERTY TAX	(122,854)	Property Taxes	(122,854)	11205, page 14, stmt 2		
5802 - STATE INCOME TAX	(800)	California Taxes	(800)	11205, page 14, stmt 2		
Total Taxes	(126,881)	Taxes and licenses	(126,881)	11205, page 1, line 12		
7102 - SUMMIT BANK (8144)	(289,457)					
7103 - SUMMIT BANK (7586)						
7104 - BANK OF THE WEST (0018)	(207,515)					
7105 - RYDMAN	(300)					
7106 - OTHERS	(1,557)					
7110 - MORSE BUILDING						
Total Interest	(498,829)	Interest	(498,829)	11205, page 1, line 13		
7300 - DEPRECIATION		Depreciation	(138,360)	11205, page 1, line 14	(138,360)	No depreciation recorded on books.
5400 - MARKETING AND PROMOTION	(22,243)	Advertising	(22,243)	11205, page 1, line 16		
5302 - EDUCATION AND TRAINING	(200)	Employee benefit programs	(200)	11205, page 1, line 18		
7200 - AMORTIZATION		Amortization Expense	(28,246)	11205, page 15, stmt 4	(28,246)	No amortization recorded on books.
5101 - AUCTION & LIEN SALES	(1,700)	Auction Expense	(1,700)	11205, page 15, stmt 4		
5104 - BANK CHARGES	(17,679)	Bank Charges	(17,679)	11205, page 15, stmt 4		
5105 - COMPUTER SERVICES	(4,377)	Computer Services	(4,377)	11205, page 15, stmt 4		
5107 - DUES, FEES, AND SUBSCRIPTIONS	2,169	Dues & Subscriptions	(2,265)	11205, page 15, stmt 4		
5109 - EQUIPMENT LEASE	(1,117)	Equipment Lease	(1,117)	11205, page 16, stmt 4	(4,434)	Adjustment on books for write-off.

QuickBooks Description	Per QuickBooks	Tax Return Caption	Per Tax Return	T/R reference	Difference	Reconciliation comments
5126 - GIFTS	(500)	Gifts	(500)	11205, page 16, stmt 4	-	
5701 - PROPERTY AND GENERAL LIABILITY	(23,299)	Insurance	(23,299)	11205, page 16, stmt 4	-	
5115 - LATE FEES AND PENALTIES	16,601	Late Fees	(25)	11205, page 16, stmt 4	(16,626)	Journal entry to write-off an Oakland City A/P, not included on Tax Return
5207 - PROPERTY MANAGEMENT	(116,333)					
5201 - ACCOUNTING AND TAX	(2,750)					
5204 - CONSULTING	(9,946)					
5206 - LEGAL AND NOTARY - Other	(346)					
Total Legal & Accounting	(129,375)	Legal & Accounting	(129,375)	11205, page 16, stmt 4		
5108 - ENTERTAINMENT	(306)					
5124 - TRAVEL	(1,021)					
Total Entertainment	(1,327)	Meals & Entertainment	(664)	11205, page 15, stmt 4	663	Travel split for entertainment purposes. Nondeductible expense.
5130 - MISC. EXPENSES	(27)	Miscellaneous Expense	(29)	11205, page 16, stmt 4	(2)	
5112 - OFFICE SUPPLIES	(5,423)	Office Supplies	(5,423)	11205, page 16, stmt 4		
5113 - OPERATING SUPPLIES	(593)	Operating Supplies	(593)	11205, page 16, stmt 4		
5128 - CONSULTANCY	(1,050)					
5114 - OUTSIDE SERVICES	(25,871)					
Total Outside Services	(26,921)	Outside Services	(26,921)	11205, page 16, stmt 4		
5116 - POSTAGE AND DELIVERY	(7,507)	Postage	(7,507)	11205, page 16, stmt 4		
5117 - PRINTING AND DUPLICATION	(2,288)	Printing	(2,288)	11205, page 16, stmt 4		
5202 - ARCHITECTS	(3,620)					
5206.1 - LEGAL - ADMIN	(5,140)					
5703 - AUCTION BOND	(500)					
Total Professional Services	(9,260)	Professional Services	(9,260)	11205, page 16, stmt 4		
5119 - SECURITY	(315)	Security	(315)	11205, page 16, stmt 4		
5125 - COLLECTIONS EXPENSES	(331)					
5129 - TENANT CREDIT CHECKS	(20)					
5301 - SERVICE FEES	(76,818)					
Total Service Fees	(77,169)	Service Fees	(100,669)	11205, page 16, stmt 4	(23,500)	2010 Adjustment to retained earnings to record additional expenses related to the Fruitvale Project
5102 - AUTO, GASOLINE & PARKING	(289)					
5124 - TRAVEL	(7,675)					
5111 - MEETINGS	(625)					Travel split for business purposes.
Total Travel	(8,589)	Travel	(8,589)	11205, page 16, stmt 4		

QuickBooks Description	Per QuickBooks	Tax Return Caption	Per Tax Return	T/R reference	Difference	Reconciliation comments
5121 - TELEPHONE	(7,650)					
5123 - TRASH REMOVAL AND REFUSE	(5,957)					
5600 - UTILITIES	(32,865)					
Total Utilities	(46,472)	Utilities and Telephone	(46,472)	11205, page 16, stmt 4	-	
5106 - DONATIONS AND CONTRIBUTIONS	435	Charitable Contributions	(565)	11205, page 17, stmt 8	(1,000)	Journal entry to write-off a contribution.
Net Income	129,250	Income/loss reconciliation	(61,476)	11205, page 3, line 18		

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Accrual Basis

Pacific Thomas Capital Profit & Loss

January through December 2009

	Jan - Dec 09
Ordinary Income/Expense	
Income	
4010 · SAFE STORAGE RENTAL INCOME	1,107,820
4030 · COMMISSION · PENSKE	2,436
4040 · MERCHANDISE SALES	6,513
4050 · PROPERTY RENTAL INCOME	5,390
4070 · CASH, OVER/SHORT	(8)
4080 · MISCELLANEOUS INCOME	110
4090 · RENTAL INCOME VARIANCE	(97)
4100 · OTHER INCOME	3,757
Total Income	1,125,920
Cost of Goods Sold	
5000 · COST OF GOODS SOLD	3,378
5001 · *Cost of Goods Sold	0
Total COGS	3,378
Gross Profit	1,122,542
Expense	
5100 · OFFICE & ADMINISTRATION	
5101 · AUCTION & LIEN SALES	1,700
5102 · AUTO, GASOLINE & PARKING	1,310
5104 · BANK CHARGES	17,679
5105 · COMPUTER SERVICES	
5105.1 · COMPUTER SUPPORT	2,493
5105.2 · COMPUTER AND INTERNET SERVICES	1,638
5105.3 · COMPUTER SUPPLIES	246
Total 5105 · COMPUTER SERVICES	4,378
5106 · DONATIONS AND CONTRIBUTIONS	(435)
5107 · DUES, FEES, AND SUBSCRIPTIONS	
5107.2 · MEMBERSHIP AND SUBSCRIPTION FEE	(2,318)
5107 · DUES, FEES, AND SUBSCRIPTIONS - Other	149
Total 5107 · DUES, FEES, AND SUBSCRIPTIONS	(2,169)
5108 · ENTERTAINMENT	306
5109 · EQUIPMENT LEASE	1,117
5110 · LICENSES AND PERMITS	3,227
5111 · MEETINGS	625
5112 · OFFICE SUPPLIES	5,423
5113 · OPERATING SUPPLIES	593
5114 · OUTSIDE SERVICES	25,871
5115 · LATE FEES AND PENALTIES	(16,601)
5116 · POSTAGE AND DELIVERY	7,507
5117 · PRINTING AND DUPLICATION	2,288
5119 · SECURITY	315
5121 · TELEPHONE	7,650
5123 · TRASH REMOVAL AND REFUSE	5,957
5124 · TRAVEL	
5124.1 · AIRFARE	5,589
5124.2 · ACCOMODATIONS	407
5124.3 · MEALS	1,021
5124.4 · PER DIEM	150
5124.5 · TRANSPORTATION	20
5124.6 · CAR RENTAL	488
Total 5124 · TRAVEL	7,675
5125 · COLLECTIONS EXPENSES	331
5126 · GIFTS	500
5128 · CONSULTANCY	1,050
5129 · TENANT CREDIT CHECKS	20
5130 · MISC. EXPENSES	27
Total 5100 · OFFICE & ADMINISTRATION	76,346

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Accrual Basis

Pacific Thomas Capital
Profit & Loss
January through December 2009

	Jan - Dec 09
5200 · PROFESSIONAL SERVICES	
5201 · ACCOUNTING AND TAX	2,750
5202 · ARCHITECTS	3,620
5204 · CONSULTING	9,946
5205 · ENVIRONMENTAL SERVICE	0
5206 · LEGAL AND NOTARY	
5206.1 · LEGAL - ADMIN	5,140
5206 · LEGAL AND NOTARY - Other	346
Total 5206 · LEGAL AND NOTARY	5,486
5207 · PROPERTY MANAGEMENT	116,333
Total 5200 · PROFESSIONAL SERVICES	138,135
5300 · LABOR	
5301 · SERVICE FEES	76,818
5302 · EDUCATION AND TRAINING	200
Total 5300 · LABOR	77,018
5400 · MARKETING AND PROMOTION	22,243
5500 · REPAIRS AND MAINTENANCE	14,501
5600 · UTILITIES	
5601 · WATER	5,262
5602 · PG&E	27,603
Total 5600 · UTILITIES	32,865
5700 · INSURANCE	
5701 · PROPERTY AND GENERAL LIABILITY	23,299
5703 · AUCTION BOND	500
Total 5700 · INSURANCE	23,799
5800 · TAXES	
5801 · REAL PROPERTY TAX	122,854
5802 · STATE INCOME TAX	800
Total 5800 · TAXES	123,654
7180 · Morse Bldg.	0
Total Expense	508,561
Net Ordinary Income	613,981
Other Income/Expense	
Other Income	
6100 · DIVIDEND INCOME	14,094
6400 · UNREALIZED GAIN	0
Total Other Income	14,094
Other Expense	
7100 · INTEREST EXPENSE	
7102 · SUMMIT BANK (8144)	289,457
7104 · BANK OF THE WEST (0018)	207,515
7105 · RYDMAN	300
7106 · OTHERS	1,557
Total 7100 · INTEREST EXPENSE	498,828
7700 · UNREALIZED LOSS	0
Total Other Expense	498,828
Net Other Income	(484,734)
Net Income	129,247

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Accrual Basis

Pacific Thomas Capital
Transaction Detail By Account
January through December 2008

Type	Date	Num	Name	Memo	Class	Split	Amount	Balance
5200 - PROFESSIONAL SERVICES								
5207 - PROPERTY MANAGEMENT								
Bill	01/08/2008	1292329	Pacific Trading Ventures,	Management Fee for December 2007	Sale Storage SSO	2010 ACCOUNTS PAYABLE - CA	2,360	2,360
Bill	01/08/2008	1292329	Pacific Trading Ventures,	Management Fee for December 2007	Sale Storage SSX	2010 ACCOUNTS PAYABLE - CA	1,955	4,315
Bill	01/08/2008	1292329	Pacific Trading Ventures,	Management Fee for December 2007	23rd - 25th	2010 ACCOUNTS PAYABLE - CA	500	4,815
Bill	01/08/2008	1292329	Pacific Trading Ventures,	Management Fee for December 2007	29th - Derby	2010 ACCOUNTS PAYABLE - CA	500	5,315
Bill	01/08/2008	1292329	Pacific Trading Ventures,	Management Fee for December 2007	Morse Building	2010 ACCOUNTS PAYABLE - CA	500	5,815
Bill	01/08/2008	1292330	Pacific Trading Ventures,	Management Fee for December 2007	Tully's Building	2010 ACCOUNTS PAYABLE - CA	500	6,315
General J	01/13/2008	ALF3	Pacific Trading Ventures,	To capitalize the management fee for the gateway project	FS29-P1 Fruitvale Project	2010 ACCOUNTS PAYABLE - CA	10,000	16,315
Bill	02/07/2008	1292343	Pacific Trading Ventures,	Management Fee for the month of January 2008	Sale Storage SSX	2010 ACCOUNTS PAYABLE - CA	1,789	18,104
Bill	02/07/2008	1292343	Pacific Trading Ventures,	Management Fee for the month of January 2008	23rd - 25th	2010 ACCOUNTS PAYABLE - CA	2,919	21,023
Bill	02/07/2008	1292343	Pacific Trading Ventures,	Management Fee for the month of January 2008	29th - Derby	2010 ACCOUNTS PAYABLE - CA	500	21,523
Bill	02/07/2008	1292343	Pacific Trading Ventures,	Management Fee for the month of January 2008	Morse Building	2010 ACCOUNTS PAYABLE - CA	500	22,023
Bill	02/07/2008	1292343	Pacific Trading Ventures,	Management Fee for the month of January 2008	Tully's Building	2010 ACCOUNTS PAYABLE - CA	500	22,523
General J	02/28/2008	ALF3	Pacific Trading Ventures,	To capitalize the management fees for gateway	FS29-P1 Fruitvale Project	2010 ACCOUNTS PAYABLE - CA	10,000	32,523
Bill	03/06/2008	1292355	Pacific Trading Ventures,	Management Fee for February 2008	FS29-P1 Fruitvale Project	2010 ACCOUNTS PAYABLE - CA	10,000	42,523
Bill	03/06/2008	1292354	Pacific Trading Ventures,	Management Fee for February 2008	Sale Storage SSX	2010 ACCOUNTS PAYABLE - CA	2,066	44,589
Bill	03/06/2008	1292354	Pacific Trading Ventures,	Management Fee for February 2008	23rd - 25th	2010 ACCOUNTS PAYABLE - CA	2,593	47,182
Bill	03/06/2008	1292354	Pacific Trading Ventures,	Management Fee for February 2008	29th - Derby	2010 ACCOUNTS PAYABLE - CA	500	47,682
Bill	03/06/2008	1292354	Pacific Trading Ventures,	Management Fee for February 2008	Morse Building	2010 ACCOUNTS PAYABLE - CA	500	48,182
Bill	03/06/2008	1292354	Pacific Trading Ventures,	Management Fee for February 2008	Tully's Building	2010 ACCOUNTS PAYABLE - CA	500	48,682
General J	03/31/2008	ALF3	Pacific Trading Ventures,	To reclassify the management fee to the gateway project	FS29-P1 Fruitvale Project	2010 ACCOUNTS PAYABLE - CA	10,000	58,682
Bill	04/02/2008	1292365	Pacific Trading Ventures,	Management Fee for March 2008	FS29-P1 Fruitvale Project	2010 ACCOUNTS PAYABLE - CA	10,000	68,682
Bill	04/02/2008	1292364	Pacific Trading Ventures,	Management Fee for March 2008	Sale Storage SSX	2010 ACCOUNTS PAYABLE - CA	2,807	71,489
Bill	04/02/2008	1292364	Pacific Trading Ventures,	Management Fee for March 2008	23rd - 25th	2010 ACCOUNTS PAYABLE - CA	2,190	73,679
Bill	04/02/2008	1292364	Pacific Trading Ventures,	Management Fee for March 2008	29th - Derby	2010 ACCOUNTS PAYABLE - CA	500	74,179
Bill	04/02/2008	1292364	Pacific Trading Ventures,	Management Fee for March 2008	Morse Building	2010 ACCOUNTS PAYABLE - CA	500	74,679
Bill	04/02/2008	1292364	Pacific Trading Ventures,	Management Fee for March 2008	Tully's Building	2010 ACCOUNTS PAYABLE - CA	500	75,179
General J	04/30/2008	ALF3	Pacific Trading Ventures,	To reclassify the management fee to the gateway	FS29-P1 Fruitvale Project	2010 ACCOUNTS PAYABLE - CA	10,000	85,179
Bill	05/06/2008	1292374	Pacific Trading Ventures,	Management Fee for April 2008	FS29-P1 Fruitvale Project	2010 ACCOUNTS PAYABLE - CA	10,000	95,179
Bill	05/06/2008	1292374	Pacific Trading Ventures,	Management Fee for April 2008	Sale Storage SSX	2010 ACCOUNTS PAYABLE - CA	2,738	97,917
Bill	05/06/2008	1292374	Pacific Trading Ventures,	Management Fee for April 2008	23rd - 25th	2010 ACCOUNTS PAYABLE - CA	1,967	99,884
Bill	05/06/2008	1292374	Pacific Trading Ventures,	Management Fee for April 2008	29th - Derby	2010 ACCOUNTS PAYABLE - CA	500	100,384
Bill	05/06/2008	1292374	Pacific Trading Ventures,	Management Fee for April 2008	Morse Building	2010 ACCOUNTS PAYABLE - CA	500	100,884
Bill	05/06/2008	1292374	Pacific Trading Ventures,	Management Fee for April 2008	Tully's Building	2010 ACCOUNTS PAYABLE - CA	500	101,384
General J	05/11/2008	ALF6	Pacific Trading Ventures,	To reclassify the management fee to the gateway	FS29-P1 Fruitvale Project	2010 ACCOUNTS PAYABLE - CA	10,000	111,384
Bill	06/10/2008	1292384	Pacific Trading Ventures,	Management Fee for May 2008	FS29-P1 Fruitvale Project	2010 ACCOUNTS PAYABLE - CA	10,000	121,384
Bill	06/10/2008	1292384	Pacific Trading Ventures,	Management Fee for May 2008	Sale Storage SSX	2010 ACCOUNTS PAYABLE - CA	5,451	126,835
Bill	06/10/2008	1292384	Pacific Trading Ventures,	Management Fee for May 2008	23rd - 25th	2010 ACCOUNTS PAYABLE - CA	500	127,335
Bill	06/10/2008	1292384	Pacific Trading Ventures,	Management Fee for May 2008	29th - Derby	2010 ACCOUNTS PAYABLE - CA	500	127,835
Bill	06/10/2008	1292384	Pacific Trading Ventures,	Management Fee for May 2008	Morse Building	2010 ACCOUNTS PAYABLE - CA	500	128,335
Bill	06/10/2008	1292384	Pacific Trading Ventures,	Management Fee for May 2008	Tully's Building	2010 ACCOUNTS PAYABLE - CA	500	128,835
General J	06/30/2008	ALF5	Pacific Trading Ventures,	To reclassify the management fee to the Gateway project	FS29-P1 Fruitvale Project	2010 ACCOUNTS PAYABLE - CA	10,000	138,835

**Pacific Thomas Capital
Transaction Detail By Account
January through December 2008**

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Accrual Basis

Pacific Thomas Capital
Transaction Detail By Account
January through December 2008

Type	Date	Num	Name	Memo	Class	Split	Amount	Balance
General J	12/31/2008	AJE 5		To reclassify the management fees		1440 TUFFY'S BUILDING	(6,000)	146,958
General J	12/31/2008	AJE 5		To reclassify the management fees		1440 TUFFY'S BUILDING	(6,000)	140,958
General J	12/31/2008	CPA AJEs		AJE 1 - To record CY amortization net of loan fees		7200 AMORTIZATION	(12,000)	128,958
Total 5207 PROPERTY MANAGEMENT							128,958	128,958
Total 5200 PROFESSIONAL SERVICES							128,958	128,958
TOTAL							128,958	128,958

Pacific Thomas Corporation dba Pacific Thomas Capital
2008 Tax Return Comparison

QuickBooks Description	Per QuickBooks	Tax Return Caption	Per Tax Return	T/R reference	Difference	Reconciliation comments
4010 - SALE STORAGE RENTAL INCOME	1,175,867					
4030 - COMMISSION - PENSKE	14,892					
4040 - MERCHANDISE SALES	9,450					
4050 - PROPERTY RENTAL INCOME	2,340					
4070 - CASH, OVER/SHORT						
4080 - MISCELLANEOUS INCOME	550					
4090 - RENTAL INCOME VARIANCE	(148)					
4100 - OTHER INCOME	6,916					
6100 - DIVIDEND INCOME						

Total Revenues		Gross Receipts or Sales				
	1,209,867		1,209,867	11205, page 1, line 1		
5000 - COST OF GOODS SOLD	(5,080)	Cost of Goods Sold	(5,080)	11205, page 1, line 2		
5500 - REPAIRS AND MAINTENANCE	(29,340)	Repairs and Maintenance	(29,340)	11205, page 1, line 9		
5107.1 - BUSINESS REGISTRATION FEES	(1,926)	Taxes and licenses	(1,926)	11205, page 16, stmt 2		
5110 - LICENSES AND PERMITS	(88)	Taxes and licenses	(88)	11205, page 16, stmt 2		
5801 - REAL PROPERTY TAX	(116,569)	Property Taxes	(116,569)	11205, page 16, stmt 2		
5802 - STATE INCOME TAX	(800)	California Taxes	(800)	11205, page 16, stmt 2		
Total Taxes	(119,383)	Taxes and licenses	(119,383)	11205, page 1, line 12		
7102 - SUMMIT BANK (8144)	(254,819)					
7103 - SUMMIT BANK (7586)	(30,365)					
7105 - RYDMAN	(300)					
7106 - OTHERS	(533)					
7101 - GMAC/CAPMARK (3323)	(182,294)					
Total Interest	(468,311)	Interest	(468,310)	11205, page 1, line 13	1	
7300 - DEPRECIATION	(136,336)	Depreciation	(136,336)	11205, page 1, line 14		
5400 - MARKETING AND PROMOTION	(29,148)	Advertising	(29,148)	11205, page 1, line 16		
5302 - EDUCATION AND TRAINING	(528)	Employee benefit programs	(528)	11205, page 1, line 18		
7200 - AMORTIZATION	(35,442)	Amortization Expense	(35,442)	11205, page 16, stmt 3		
5101 - AUCTION & LIEN SALES	(2,004)	Auction Expense	(2,004)	11205, page 16, stmt 3		
5104 - BANK CHARGES	(16,409)	Bank Charges	(16,409)	11205, page 16, stmt 3		
5105 - COMPUTER SERVICES	(5,026)	Computer Services	(5,026)	11205, page 16, stmt 3		
5107.2 - MEMBERSHIP AND SUBSCRIPTION FEE	(3,960)	Dues & Subscriptions	(3,960)	11205, page 16, stmt 3		
5109 - EQUIPMENT LEASE	(1,910)	Equipment lease	(1,910)	11205, page 16, stmt 3		
5126 - GIFTS	(42)	Gifts	(42)	11205, page 16, stmt 3		
5700 - INSURANCE	(25,189)	Insurance	(25,189)	11205, page 16, stmt 3		
5115 - LATE FEES AND PENALTIES	(2,167)	Late Fees		11205, page 17, stmt 6	2,167	Non deductible expense

QuickBooks Description	Per QuickBooks	Tax Return Caption	Per Tax Return	T/R reference	Difference	Reconciliation comments
5207 · PROPERTY MANAGEMENT	(128,958)					
5201 · ACCOUNTING AND TAX	(4,750)					
5204 · CONSULTING	(4,753)					
5206 · LEGAL AND NOTARY - Other	(1,000)					
Total Legal & Accounting	(139,461)	Legal & Accounting	(139,461)	11205, page 16, stmt 3		
5130 · MISC. EXPENSES		Miscellaneous Expense				
5112 · OFFICE SUPPLIES	(8,714)	Office Supplies	(8,714)	11205, page 16, stmt 3		
5113 · OPERATING SUPPLIES	(790)	Operating Supplies	(790)	11205, page 16, stmt 3		
5128 · CONSULTANCY	(1,500)					
5114 · OUTSIDE SERVICES	(1,513)					
Total Outside Services	(3,013)	Outside Services	(3,013)	11205, page 16, stmt 3		
5116 · POSTAGE AND DELIVERY	(3,450)	Postage	(3,450)	11205, page 16, stmt 3		
5117 · PRINTING AND DUPLICATION	(2,520)	Printing	(2,520)	11205, page 16, stmt 3		
5202 · ARCHITECTS						
5206.1 · LEGAL · ADMIN						
5203 · CIVIL ENGINEERS	(800)					
Total Professional Services	(800)	Professional Services	(800)	11205, page 16, stmt 3		
5119 · SECURITY	(420)	Security	(420)	11205, page 16, stmt 3		
5125 · COLLECTIONS EXPENSES	(15,568)					
5301 · SERVICE FEES	(114,364)					
5129 · TENANT CREDIT CHECKS	(20)					
Total Service Fees	(129,952)	Service Fees	(129,952)	11205, page 17, stmt 3		
5102 · AUTO, GASOLINE & PARKING	(2,128)					
5124 · TRAVEL	(7,304)					
Total Travel	(9,432)	Travel	(9,432)	11205, page 17, stmt 3		
5121 · TELEPHONE	(9,102)					
5123 · TRASH REMOVAL AND REFUSE	(8,633)					
5600 · UTILITIES	(25,470)					
Total Utilities	(43,205)	Utilities and Telephone	(43,205)	11205, page 17, stmt 3		
5106 · DONATIONS AND CONTRIBUTIONS	(2,100)	Charitable Contributions	(2,100)	11205, page 17, stmt 5		
Net Income	(14,265)	Income/loss reconciliation	(12,097)	11205, page 3, line 18		

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06/17/13
Accrual Basis

Pacific Thomas Capital
Profit & Loss
January through December 2008

	Jan - Dec 08
Ordinary Income/Expense	
Income	
4010 · SAFE STORAGE RENTAL INCOME	
4030 · COMMISSION - PENSKE	1,175,867
4040 · MERCHANDISE SALES	14,892
4050 · PROPERTY RENTAL INCOME	9,450
4080 · MISCELLANEOUS INCOME	2,340
4090 · RENTAL INCOME VARIANCE	550
4100 · OTHER INCOME	(148)
	6,916
Total Income	1,209,867
Cost of Goods Sold	
5000 · COST OF GOODS SOLD	5,080
5001 · *Cost of Goods Sold	0
Total COGS	5,080
Gross Profit	1,204,788
Expense	
5100 · OFFICE & ADMINISTRATION	
5101 · AUCTION & LIEN SALES	2,004
5102 · AUTO, GASOLINE & PARKING	2,128
5104 · BANK CHARGES	16,409
5105 · COMPUTER SERVICES	
5105.1 · COMPUTER SUPPORT	2,819
5105.2 · COMPUTER AND INTERNET SERVICES	2,207
Total 5105 · COMPUTER SERVICES	5,025
5106 · DONATIONS AND CONTRIBUTIONS	2,100
5107 · DUES, FEES, AND SUBSCRIPTIONS	
5107.1 · BUSINESS REGISTRATION FEES	1,926
5107.2 · MEMBERSHIP AND SUBSCRIPTION FEE	3,960
Total 5107 · DUES, FEES, AND SUBSCRIPTIONS	5,886
5109 · EQUIPMENT LEASE	1,910
5110 · LICENSES AND PERMITS	88
5112 · OFFICE SUPPLIES	8,714
5113 · OPERATING SUPPLIES	790
5114 · OUTSIDE SERVICES	1,513
5115 · LATE FEES AND PENALTIES	2,167
5116 · POSTAGE AND DELIVERY	3,450
5117 · PRINTING AND DUPLICATION	2,520
5119 · SECURITY	420
5121 · TELEPHONE	9,102
5123 · TRASH REMOVAL AND REFUSE	8,633
5124 · TRAVEL	
5124.1 · AIRFARE	2,837
5124.2 · ACCOMODATIONS	611
5124.3 · MEALS	2,056
5124.6 · CAR RENTAL	1,800
Total 5124 · TRAVEL	7,304
5125 · COLLECTIONS EXPENSES	15,568
5126 · GIFTS	42
5128 · CONSULTANCY	1,500
5129 · TENANT CREDIT CHECKS	20
5130 · MISC. EXPENSES	0
Total 5100 · OFFICE & ADMINISTRATION	97,293
5200 · PROFESSIONAL SERVICES	
5201 · ACCOUNTING AND TAX	4,750
5202 · ARCHITECTS	0
5203 · CIVIL ENGINEERS	800
5204 · CONSULTING	4,753
5205 · ENVIRONMENTAL SERVICE	0

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Accrual Basis

Pacific Thomas Capital
Profit & Loss
January through December 2008

	Jan - Dec 08
5206 · LEGAL AND NOTARY	
5206.1 · LEGAL - ADMIN	0
5206 · LEGAL AND NOTARY - Other	1,000
Total 5206 · LEGAL AND NOTARY	1,000
5207 · PROPERTY MANAGEMENT	128,958
5200 · PROFESSIONAL SERVICES - Other	0
Total 5200 · PROFESSIONAL SERVICES	140,261
5300 · LABOR	
5301 · SERVICE FEES	114,364
5302 · EDUCATION AND TRAINING	528
Total 5300 · LABOR	114,892
5400 · MARKETING AND PROMOTION	29,148
5500 · REPAIRS AND MAINTENANCE	29,340
5600 · UTILITIES	
5601 · WATER	6,026
5602 · PG&E	19,444
Total 5600 · UTILITIES	25,470
5700 · INSURANCE	
5701 · PROPERTY AND GENERAL LIABILITY	25,189
Total 5700 · INSURANCE	25,189
5800 · TAXES	
5801 · REAL PROPERTY TAX	116,569
5802 · STATE INCOME TAX	800
Total 5800 · TAXES	117,369
6212 · Furniture and equipment	0
6218 · Small Tools	0
7180 · Morse Bldg.	0
Total Expense	578,963
Net Ordinary Income	625,825
Other Income/Expense	
Other Expense	
7100 · INTEREST EXPENSE	
7101 · GMAC/CAPMARK (3323)	182,294
7102 · SUMMIT BANK (8144)	254,819
7103 · SUMMIT BANK (7586)	30,365
7105 · RYDMAN	300
7106 · OTHERS	533
Total 7100 · INTEREST EXPENSE	468,312
7200 · AMORTIZATION	35,442
7300 · DEPRECIATION	136,336
7500 · LOAN EXPENSE	0
Total Other Expense	640,090
Net Other Income	(640,090)
Net Income	(14,266)

Pacific Thomas Capital
Transaction Detail By Account
January through December 2007

Type	Date	Num	Name	Memo	Class	Split	Amount	Balance
5200 - PROFESSIONAL SERVICES								
5207 - PROPERTY MANAGEMENT								
BNI	01/01/2007	1292228	Pacific Trading Ventures,	December 06 Management Fee	2010 - ACCOUNTS PAYABLE - CA		2,341	2,341
BNI	01/01/2007	1292228	Pacific Trading Ventures,	December 06 Management Fee	2010 - ACCOUNTS PAYABLE - CA		2,163	4,504
BNI	01/01/2007	1292226	Pacific Trading Ventures,	December 06 Management Fee	2010 - ACCOUNTS PAYABLE - CA		500	5,004
BNI	01/01/2007	1292226	Pacific Trading Ventures,	December 06 Management Fee	2010 - ACCOUNTS PAYABLE - CA		500	5,504
BNI	02/01/2007	1292232	Pacific Trading Ventures,	January 07 Management Fee	2010 - ACCOUNTS PAYABLE - CA		500	6,004
BNI	02/01/2007	1292232	Pacific Trading Ventures,	January 07 Management Fee	2010 - ACCOUNTS PAYABLE - CA		2,206	8,210
BNI	02/01/2007	1292232	Pacific Trading Ventures,	January 07 Management Fee	2010 - ACCOUNTS PAYABLE - CA		1,710	9,920
BNI	02/01/2007	1292232	Pacific Trading Ventures,	January 07 Management Fee	2010 - ACCOUNTS PAYABLE - CA		500	10,420
BNI	03/01/2007	1292238	Pacific Trading Ventures,	Management Fee for February 2007	2010 - ACCOUNTS PAYABLE - CA		500	10,920
BNI	03/01/2007	1292238	Pacific Trading Ventures,	Management Fee for February 2007	2010 - ACCOUNTS PAYABLE - CA		500	11,420
BNI	03/01/2007	1292238	Pacific Trading Ventures,	Management Fee for February 2007	2010 - ACCOUNTS PAYABLE - CA		2,302	13,722
BNI	03/01/2007	1292238	Pacific Trading Ventures,	Management Fee for February 2007	2010 - ACCOUNTS PAYABLE - CA		1,546	15,268
BNI	04/05/2007	1292245	Pacific Trading Ventures,	Management Fee for March 2007	2010 - ACCOUNTS PAYABLE - CA		500	15,768
BNI	04/05/2007	1292245	Pacific Trading Ventures,	Management Fee for March 2007	2010 - ACCOUNTS PAYABLE - CA		500	16,268
BNI	04/05/2007	1292245	Pacific Trading Ventures,	Management Fee for March 2007	2010 - ACCOUNTS PAYABLE - CA		500	16,768
BNI	04/05/2007	1292245	Pacific Trading Ventures,	Management Fee for March 2007	2010 - ACCOUNTS PAYABLE - CA		17,331	18,331
BNI	05/03/2007	1292253	Pacific Trading Ventures,	Management Fee for April 2007	2010 - ACCOUNTS PAYABLE - CA		2,422	20,752
BNI	05/03/2007	1292253	Pacific Trading Ventures,	Management Fee for April 2007	2010 - ACCOUNTS PAYABLE - CA		1,647	22,399
BNI	05/03/2007	1292253	Pacific Trading Ventures,	Management Fee for April 2007	2010 - ACCOUNTS PAYABLE - CA		500	22,899
BNI	05/03/2007	1292253	Pacific Trading Ventures,	Management Fee for April 2007	2010 - ACCOUNTS PAYABLE - CA		500	23,399
BNI	06/13/2007	1292261	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		500	23,899
BNI	06/13/2007	1292261	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		1,996	25,895
BNI	06/13/2007	1292261	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		1,520	27,415
BNI	06/13/2007	1292261	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		500	28,415
BNI	06/13/2007	1292261	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		28,915	29,415
BNI	06/13/2007	1292261	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		500	29,915
BNI	06/13/2007	1292261	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		2,545	32,460
BNI	07/05/2007	1292265	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		500	33,967
BNI	07/05/2007	1292265	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		500	34,467
BNI	07/05/2007	1292265	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		35,967	35,967
BNI	07/05/2007	1292265	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		35,967	36,397
BNI	07/05/2007	1292265	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		2,611	38,998
BNI	07/05/2007	1292265	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		1,770	40,768
BNI	07/05/2007	1292265	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		500	41,268
BNI	07/05/2007	1292265	Pacific Trading Ventures,	Management Fee for the month of May 2007	2010 - ACCOUNTS PAYABLE - CA		500	41,768
BNI	08/02/2007	1292272	Pacific Trading Ventures,	Management Fee for June 2007	2010 - ACCOUNTS PAYABLE - CA		500	42,268
BNI	08/02/2007	1292272	Pacific Trading Ventures,	Management Fee for June 2007	2010 - ACCOUNTS PAYABLE - CA		10,000	52,268
BNI	08/02/2007	1292272	Pacific Trading Ventures,	Management Fee for June 2007	2010 - ACCOUNTS PAYABLE - CA		2,426	54,694
BNI	08/02/2007	1292272	Pacific Trading Ventures,	Management Fee for June 2007	2010 - ACCOUNTS PAYABLE - CA		1,843	56,537
BNI	08/02/2007	1292272	Pacific Trading Ventures,	Management Fee for June 2007	2010 - ACCOUNTS PAYABLE - CA		500	57,037
BNI	08/02/2007	1292272	Pacific Trading Ventures,	Management Fee for June 2007	2010 - ACCOUNTS PAYABLE - CA		58,037	58,037

**Pacific Thomas Capital
Transaction Detail By Account**
January through December 2007

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Pacific Thomas Corporation dba Pacific Thomas Capital
2007 Tax Return Comparison

QuickBooks Description	Per QuickBooks	Tax Return Caption	Per Tax Return	T/R reference	Difference	Reconciliation comments
4010 - SAFE STORAGE RENTAL INCOME	1,016,035					
4030 - COMMISSION - PENSKE	11,813					
4040 - MERCHANDISE SALES	9,240					
4050 - PROPERTY RENTAL INCOME	16,203					
4070 - CASH, OVER/SHORT						
4080 - MISCELLANEOUS INCOME	2,544					
4090 - RENTAL INCOME VARIANCE	10					
4100 - OTHER INCOME	32,592					
6100 - DIVIDEND INCOME						
Total Revenues	1,088,437	Gross Receipts or Sales	1,088,437	11205, page 1, line 1		
5000 - COST OF GOODS SOLD	(5,117)	Cost of Goods Sold	(5,117)	11205, page 1, line 2		
5500 - REPAIRS AND MAINTENANCE	(12,864)	Repairs and Maintenance	(12,864)	11205, page 1, line 9		
5110 - LICENSES AND PERMITS	(1,667)	Taxes and licenses	(1,667)	11205, page 14, stmt 2		
5801 - REAL PROPERTY TAX	(92,432)	Property Taxes	(92,432)	11205, page 14, stmt 2		
5802 - STATE INCOME TAX	(800)	California Taxes	(800)	11205, page 14, stmt 2		
Total Taxes	(94,899)	Taxes and licenses	(94,899)	11205, page 1, line 12		
7102 - SUMMIT BANK (8144)	(97,027)					
7103 - SUMMIT BANK (7586)	(39,340)					
7105 - RYDMAN	(300)					
7106 - OTHERS	(68,190)					
7101 - GMAC/CAPMARK (3323)	(169,414)					
7107 - SUMMIT BANK - LOC (0314)	(238,767)					
Total Interest	(613,038)	Interest	(613,038)	11205, page 1, line 13		
7300 - DEPRECIATION	(135,557)	Depreciation	(135,557)	11205, page 1, line 14		
5400 - MARKETING AND PROMOTION	(37,486)	Advertising	(37,486)	11205, page 1, line 16		
5302 - EDUCATION AND TRAINING	(2,390)	Employee benefit programs	(2,390)	11205, page 1, line 18		
7200 - AMORTIZATION	(54,547)	Amortization Expense	(54,547)	11205, page 14, stmt 3		
5101 - AUCTION & LIEN SALES	(805)	Auction Expense	(805)	11205, page 14, stmt 3		
5104 - BANK CHARGES	(14,717)	Bank Charges	(14,717)	11205, page 14, stmt 3		
5105 - COMPUTER SERVICES	(6,109)	Computer Services	(6,109)	11205, page 14, stmt 3		
5129 - TENANT CREDIT CHECKS	(40)	Credit Checks	(40)	11205, page 14, stmt 3		
5107.2 - MEMBERSHIP AND SUBSCRIPTION FEE	(3,975)	Dues & Subscriptions	(3,975)	11205, page 14, stmt 3		
5109 - EQUIPMENT LEASE	(1,302)	Equipment Lease	(1,302)	11205, page 14, stmt 3		
5700 - INSURANCE	(15,796)	Insurance	(15,796)	11205, page 14, stmt 3		
5115 - LATE FEES AND PENALTIES	(13,744)	Late Fees	(1,048)	11205, page 14, stmt 3	12,696	Non deductible penalties

5207 · PROPERTY MANAGEMENT	(111,070)	Management Fees	(111,070)	11205, page 14, stmt 3	
5201 · ACCOUNTING AND TAX	(8,725)				
5206 · LEGAL AND NOTARY	5,484				
Total Legal & Accounting	(3,241)	Legal & Accounting	(3,241)	11205, page 14, stmt 3	
5124.3 · MEALS	(3,933)	Meals & Entertainment	(1,967)	11205, page 14, stmt 3	
5112 · OFFICE SUPPLIES	(9,251)	Office Supplies	(9,251)	11205, page 14, stmt 3	1,966 Nondeductible expense
5113 · OPERATING SUPPLIES	(992)	Operating Supplies	(992)	11205, page 14, stmt 3	
5114 · OUTSIDE SERVICES	(6,259)				
5119 · SECURITY	852				
Total Outside Services	(5,407)	Temporary Help	(5,407)	11205, page 14, stmt 3	
5116 · POSTAGE AND DELIVERY	(7,853)	Postage	(7,853)	11205, page 14, stmt 3	
5117 · PRINTING AND DUPLICATION	(2,626)	Printing	(2,626)	11205, page 14, stmt 3	
5128 · CONSULTANCY	(1,475)				
5200 · PROFESSIONAL SERVICES - Other	(2,353)				
Total Professional Services	(3,828)	Professional Services	(3,828)	11205, page 15, stmt 3	
5301 · SERVICE FEES	(138,026)				
Total Service Fees	(138,026)	Service Fees	(138,026)	11205, page 15, stmt 3	
5102 · AUTO, GASOLINE & PARKING	(313)				
5124.2 · ACCOMMODATIONS	(452)				
5124.7 · MILEAGE	(118)				
Total Travel	(883)	Travel	(883)	11205, page 15, stmt 3	
5121 · TELEPHONE	(12,654)				
5123 · TRASH REMOVAL AND REFUSE	(7,822)				
5600 · UTILITIES	(19,359)				
Total Utilities	(39,835)	Utilities and Telephone	(39,834)	11205, page 15, stmt 3	
5106 · DONATIONS AND CONTRIBUTIONS	(2,100)	Charitable Contributions	(2,100)	11205, page 15, stmt 5	
Net Income	(252,994)	Income/loss reconciliation	(238,331)	11205, page 3, line 18	1

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Accrual Basis

Pacific Thomas Capital Profit & Loss

January through December 2007

	Jan - Dec 07
Ordinary Income/Expense	
Income	
4010 · SAFE STORAGE RENTAL INCOME	1,016,035
4030 · COMMISSION - PENSKE	11,813
4040 · MERCHANDISE SALES	9,240
4050 · PROPERTY RENTAL INCOME	16,203
4080 · MISCELLANEOUS INCOME	2,544
4090 · RENTAL INCOME VARIANCE	10
4100 · OTHER INCOME	32,592
Total Income	1,088,436
Cost of Goods Sold	
5000 · COST OF GOODS SOLD	5,117
5001 · *Cost of Goods Sold	0
Total COGS	5,117
Gross Profit	1,083,319
Expense	
5100 · OFFICE & ADMINISTRATION	
5101 · AUCTION & LIEN SALES	805
5102 · AUTO, GASOLINE & PARKING	313
5104 · BANK CHARGES	14,717
5105 · COMPUTER SERVICES	
5105.1 · COMPUTER SUPPORT	3,233
5105.2 · COMPUTER AND INTERNET SERVICES	1,692
5105.3 · COMPUTER SUPPLIES	1,184
5105 · COMPUTER SERVICES - Other	0
Total 5105 · COMPUTER SERVICES	6,109
5106 · DONATIONS AND CONTRIBUTIONS	2,100
5107 · DUES, FEES, AND SUBSCRIPTIONS	
5107.1 · BUSINESS REGISTRATION FEES	0
5107.2 · MEMBERSHIP AND SUBSCRIPTION FEE	3,975
Total 5107 · DUES, FEES, AND SUBSCRIPTIONS	3,975
5109 · EQUIPMENT LEASE	1,302
5110 · LICENSES AND PERMITS	1,667
5112 · OFFICE SUPPLIES	9,251
5113 · OPERATING SUPPLIES	992
5114 · OUTSIDE SERVICES	6,259
5115 · LATE FEES AND PENALTIES	13,744
5116 · POSTAGE AND DELIVERY	7,853
5117 · PRINTING AND DUPLICATION	2,626
5119 · SECURITY	(852)
5121 · TELEPHONE	12,654
5123 · TRASH REMOVAL AND REFUSE	7,822
5124 · TRAVEL	
5124.1 · AIRFARE	0
5124.2 · ACCOMODATIONS	452
5124.3 · MEALS	3,933
5124.5 · TRANSPORTATION	0
5124.7 · MILEAGE	118
Total 5124 · TRAVEL	4,503
5127 · ADMINISTRATION	0
5128 · CONSULTANCY	1,475
5129 · TENANT CREDIT CHECKS	40
5130 · MISC. EXPENSES	0
Total 5100 · OFFICE & ADMINISTRATION	97,354

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06/17/13

Accrual Basis

Pacific Thomas Capital Profit & Loss

January through December 2007

	Jan - Dec 07
5200 · PROFESSIONAL SERVICES	
5201 · ACCOUNTING AND TAX	8,725
5202 · ARCHITECTS	0
5203 · CIVIL ENGINEERS	0
5204 · CONSULTING	0
5205 · ENVIRONMENTAL SERVICE	0
5206 · LEGAL AND NOTARY	0
5206.1 · LEGAL - ADMIN	(5,484)
Total 5206 · LEGAL AND NOTARY	(5,484)
5207 · PROPERTY MANAGEMENT	111,070
5200 · PROFESSIONAL SERVICES - Other	2,353
Total 5200 · PROFESSIONAL SERVICES	116,664
5300 · LABOR	
5301 · SERVICE FEES	138,026
5302 · EDUCATION AND TRAINING	2,390
5303 · BONUS	0
Total 5300 · LABOR	140,416
5400 · MARKETING AND PROMOTION	37,486
5500 · REPAIRS AND MAINTENANCE	12,864
5600 · UTILITIES	
5601 · WATER	4,345
5602 · PG&E	15,014
Total 5600 · UTILITIES	19,360
5700 · INSURANCE	
5701 · PROPERTY AND GENERAL LIABILITY	15,796
Total 5700 · INSURANCE	15,796
5800 · TAXES	
5801 · REAL PROPERTY TAX	92,432
5802 · STATE INCOME TAX	800
Total 5800 · TAXES	93,232
7180 · Morse Bldg.	0
Total Expense	533,172
Net Ordinary Income	550,147
Other Income/Expense	
Other Income	
6200 · INTEREST INCOME	0
Total Other Income	0
Other Expense	
7100 · INTEREST EXPENSE	
7101 · GMAC/CAPMARK (3323)	169,414
7102 · SUMMIT BANK (8144)	97,027
7103 · SUMMIT BANK (7586)	39,340
7105 · RYDMAN	300
7106 · OTHERS	68,190
7107 · SUMMIT BANK - LOC (0314)	238,767
8110 · Mortgage Interest	
8110.3 · Mortgage Int. Summit - Tuffy's	0
Total 8110 · Mortgage Interest	0
8140 · Interest Expense- Morse Buildg	0
7100 · INTEREST EXPENSE - Other	0
Total 7100 · INTEREST EXPENSE	613,037

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06/17/13

Accrual Basis

**Pacific Thomas Capital
Profit & Loss**

January through December 2007

	Jan - Dec 07
7200 · AMORTIZATION	54,547
7300 · DEPRECIATION	135,557
7500 · LOAN EXPENSE	0
Total Other Expense	803,141
Net Other Income	(803,141)
Net Income	(252,993)

EXHIBIT C

1 UNITED STATES BANKRUPTCY COURT
2 NORTHERN DISTRICT OF CALIFORNIA
3 (OAKLAND)

4 ---oOo---

5 In Re: No. 12-46534 MEH
6 PACIFIC THOMAS CORPORATION,
7 dba PACIFIC THOMAS CAPITAL,
8 Debtors.
9 _____/

10
11
12
13 DEPOSITION OF TIMOTHY F. BROPHY
14

15
16
17 Taken before KIMBERLY R. HENDERSHOTT, RPR

18 CSR NO. 12552

19 September 20, 2012
20
21
22



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CREDITORS'

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DEPOSITION OF TIMOTHY F. BROPHY

BE IT REMEMBERED, that pursuant to Notice, and on the 20th day of September 2012, commencing at the hour of 10:38 a.m., in the offices of TIMOTHY F. BROPHY, CPA, 395 Civic Drive, Suite J, Pleasant Hill, California 94523 before me, KIMBERLY R. HENDERSHOTT, a Certified Shorthand Reporter, personally appeared TIMOTHY F. BROPHY, produced as a witness in said action, and being by me first duly sworn, was thereupon examined as a witness in said cause.

---oOo---

APPEARANCES:

For the Creditor Summit Bank:

STEVEN B. PISER
Law Offices of Steven B. Piser
499 Fourteenth Street, Suite 210
Oakland, California 94612
(510) 835-5582

For the Creditor Bank of the West:

WALTER W. GOULDSBURY, III
Jeffer, Mangels, Butler & Mitchell, LLP
Two Embarcadero Center, 5th Floor
San Francisco, California 94111
(415) 398-8080
wgouldsbury@jmbm.com

1 For the Debtor Pacific Thomas Corporation:

2 ANNE-LEITH MATLOCK
3 Matlock Law Group, PC
4 1485 Treat Boulevard, Suite 200
5 Walnut Creek, California 94597
(415) 944-7131
Anne-leith@matlocklawgroup.com.

6 For the Department of Justice:

7 BARBARA A. MATTHEWS
8 U.S. Department of Justice
9 Office of the United States Trustee
10 1301 Clay Street, Suite 690N
Oakland, California 94104
(510) 637-3206
Barbara.a.matthews@usdoj.gov

11 Also Present:

12 Steve Nelson
13
14
15
16
17
18
19
20
21
22
23
24
25

1 accurate?

2 A. I agree that that would be a reliable way.

3 Q. Have you, sir, ever asked in your role as a
4 responsible person for promissory notes between Pacific
5 Thomas and related entities?

6 A. Before I answer that question, you're using
7 the term role as a what?

8 Q. Responsible person.

9 A. Responsible person.

10 Q. In the context of the bankruptcy.

11 A. Okay. Which is a period of time of two to
12 three weeks, right?

13 Q. I don't know, sir.

14 MS. MATLOCK: Yes.

15 THE WITNESS: So my answer would be no.

16 BY MR. PISER:

17 Q. And we already discussed you've never asked
18 for promissory notes. Have you ever been provided with
19 any lease agreements between Pacific Thomas Corporation
20 and any related parties?

21 A. Yes.

22 Q. When were you provided with such lease
23 agreements?

24 A. Within the last two months.

25 Q. Who provided them to you?

1 A. Randy Whitney.

2 Q. Why did you get lease agreements?

3 A. To report the payments for revenues and
4 expenses for the Safe Storage operation.

5 Q. And why were you reporting the revenues for
6 the payment and expenses of the Safe Storage operation?

7 A. For the preparation of the tax return? I'm --
8 I don't understand that question.

9 MR. PISER: Well, she'll read the question
10 again with why -- I think it was why were you reporting
11 the revenues and expenses of the Safe Storage
12 operation, but I may be wrong. She'll read the
13 question.

14 (Record read as follows:

15 "And why were you reporting the revenues
16 for the payment and expenses of the Safe
17 Storage operation?")

18 THE WITNESS: Okay. So once again for the
19 preparation of the tax returns, I'm not sure how to
20 answer that.

21 BY MR. PISER:

22 Q. Which tax return?

23 A. Oh, the Pacific Thomas tax return.

24 Q. Which year?

25 A. 2011.

1 Q. Had you done tax returns for Pacific Thomas
2 before 2011?

3 A. Yes, sir.

4 Q. In connection with any of those tax returns,
5 did you report the revenue and expenses for the Safe
6 Storage operation?

7 A. Yes, they were reported on the Pacific Thomas
8 tax return.

9 Q. Did you obtain lease agreements in connection
10 with your preparation of those tax returns?

11 A. No.

12 Q. Why did you get lease agreements for the
13 preparation of the 2011 tax return?

14 A. All right. For the -- for the -- okay. Randy
15 wanted to report the income -- the revenues and the
16 expenses from the Safe Storage operation on the Pacific
17 Trading tax return as opposed to Pacific Thomas tax
18 return. So he gave me a lease agreement supporting
19 that change.

20 Q. And so 2011 was the first year that you as a
21 tax preparer reported the income from the Safe Storage
22 operation on the Pacific Trading Ventures' return as
23 opposed to the Pacific Thomas return; is that correct?

24 A. It's incorrect, because we did not do that.
25 We reported it on the Pacific Thomas tax return.

1 Q. That's what I'm saying.

2 A. Yeah.

3 Q. So in -- in -- did you do tax returns for
4 Pacific Trading Ventures?

5 A. Yes.

6 Q. And as I understand it, and for the 2011
7 return, you reported the income for the Safe Storage
8 operation on the Pacific Trading Ventures return?

9 A. No.

10 Q. You reported on the Pacific Thomas return?

11 A. Yes.

12 Q. And theretofore, how did you prepare it?

13 A. What does that mean, theretofore?

14 Q. Before that?

15 A. Similarly. Consistently.

16 Q. So I don't understand. What did Randy want
17 you to do?

18 A. He wanted us to show the revenues and expenses
19 from the Safe Storage operation on the Pacific Trading
20 tax return, and in exchange Pacific Trading was paying
21 a monthly lease amount to Pacific Thomas for the right
22 to run this Safe Storage operation.

23 MR. PISER: Okay. Would you read that answer,
24 please.

25 (Record read as follows:

1 "He wanted us to show the revenues and
2 expenses from the Safe Storage operation on
3 the Pacific Trading tax return, and in
4 exchange Pacific Trading was paying a
5 monthly lease amount to Pacific Thomas for
6 the right to run this Safe Storage
7 operation.")

8 BY MR. PISER:

9 Q. Did she read that correctly?

10 A. Yes.

11 Q. Did you prepare the Pacific Trading Ventures
12 tax return?

13 A. Yes.

14 Q. That way?

15 A. Which way?

16 Q. The way that Mr. Whitney asked you to do it?

17 A. No.

18 Q. Why not?

19 A. Two reasons. The first reason was because it
20 was inconsistent with how the returns had been prepared
21 in the past. And I was concerned as to whether or not
22 he had discussed that change with his other partners.
23 That's the first reason.

24 The second reason, that inconsistently -- that
25 inconsistency would have created a very expensive

1 income tax consequence to Jill, who was the 100 percent
2 shareholder of Pacific Trading.

3 Q. When did Randy Whitney ask you as a certified
4 public accountant to change the way you reported to the
5 United States of America, the income of Pacific Thomas
6 and Pacific Trading Ventures?

7 A. Sometime within the last two months.

8 Q. Did you make any notes of that conversation?

9 A. Notes with respect to the conversation, I'd
10 have to look. Most likely -- well, did I make notes?
11 There are some notes in there. Probably not as
12 thorough as you'd like to see, but there are some notes
13 in there. Yes.

14 Q. Well, any notes would be fine with me.

15 A. Yes.

16 Q. And did Mr. Whitney accept your explanation?

17 A. Did he accept my explanation?

18 Q. Well, you were declining to do what he asked
19 you to do, correct?

20 A. Yes.

21 Q. And I don't know if you've ever had this
22 happen to you, sir, as a professional, when a client
23 asks you to do something and you don't want to do it,
24 sometimes there's some feedback. Has that ever
25 occurred to you?

1 A. Oh, sure.

2 Q. Did you get any feedback from Mr. Whitney?

3 A. Yes, absolutely. We discussed it. Sure.

4 Q. Tell me as best you can recall what
5 Mr. Whitney told you the reason was that he wanted to
6 make this change in the way the income was reported to
7 the United States government?

8 MS. MATLOCK: Objection. Hearsay, but please
9 answer the question.

10 MR. PISER: Hearsay?

11 THE WITNESS: Sure. The lease agreement that
12 he gave me was dated four to five days prior to today,
13 and he just wanted to follow that agreement. He talked
14 about he's not sure why George wasn't doing the
15 accounting. Mr. Yang was doing the accounting that
16 way, but he wanted it prepared following the agreement
17 for 2011.

18 BY MR. PISER:

19 Q. Let's go back to the Exhibit 1, because I want
20 to talk to you about these related party notes.

21 So you were going to go to the -- what are
22 they called, schedules or something?

23 A. Yeah. Let's see. Statements. For example,
24 we're talking about receivables from payables.

25 Let's -- let's see.

1 A. Yeah. Based on this tax return --

2 Q. Doesn't look like it?

3 A. I don't see any documentation of that, no.
4 But, you know, to be thorough, I would look at the
5 Pacific Trading tax return too.

6 Q. We can talk about that later. Sure. Let me
7 go to Statement 14. On schedule M-3, do you see the
8 line that says "sales"?

9 A. Yes.

10 Q. What does that mean?

11 A. That is revenues earned by Pacific Thomas from
12 the Safe Storage operation.

13 Q. Is there a reason it's called sales?

14 A. Tradition. I don't -- it's not supposed to be
15 witty or anything. It's sales, revenues. No
16 particular reason I use that word.

17 Q. Well, on the higher up line, you say rental
18 income from "Morris building Oakland." Do you see
19 that?

20 A. Yeah.

21 Q. In your mind, the sales entry for 2010 of
22 1,196,097, that's rental income?

23 A. Yes.

24 Q. From the Safe Storage operation?

25 A. Uh-huh.

1 Q. "Yes"?

2 A. Yes. Sorry. Yes.

3 Q. And just so I'm clear, it is that income in
4 part that Mr. Whitney asked you a couple of months ago
5 to show on the Pacific Trading Ventures tax return; is
6 that correct?

7 A. Yes.

8 Q. And you declined to do that. That's fine.
9 We'll move on.

10 A. Okay.

11 Q. Let me ask you another question here on
12 schedule -- Statement 18. That goes on for a couple of
13 pages. I want to go to the entry at page 1785.
14 There's a Bates number at the bottom.

15 Do you see that, sir?

16 A. Yes.

17 Q. It says "service fees." Do you see that?
18 Third line from the bottom.

19 A. One, two -- Oh, up there, yes. Okay.

20 Q. Do you know what those are?

21 A. Well, off the top of my -- I wouldn't -- I
22 don't know off the top of my mind, no. I'd have to go
23 back to my records.

24 Q. Okay. Other questions says property taxes.
25 Do you see that?

EXHIBIT D

From: randall@pacificthomas.com
To: Lenatcci@aol.com
Sent: 6/3/2013 12:57:48 P.M. Pacific Daylight Time
Subj: OAKLAND and REQUEST TO RECONSIDER

Len

You and i know a lot of the same people, including your partners Phil and Mark McClure. I have only met you once several years ago when you and Phil were seeking to purchase this exact same property. You and i were introduced again by phone through Bank of Alameda's Stacy Cox and her CCO Troy when you assisted us with refinancing efforts. I understand you to be reasonable and candid, but also, like myself, a deep passion for Oakland property and improving Oakland community.

I am not interested to sell my property and i have made this known to the Trustee. In fact, i have a commitment from a lender to refinance the properties and we are pursuing this activity as we speak. However, i still have my work cut out to protect our property from being sold -- which i plan to exert every possible effort to prevent from happening. Brian Collins and i had this exact communication when i saw him and Damian Fink at the OBA/JHC Rotunda event for the exiting Planning Commissioners -- Brian knows me as he had listed our same property for leasing when he worked for Cassidy Turley.

Anyhow, to avoid having any upset or interruptions with our relations, i am asking that you and your CCIG partners reconsider your appointment to list and sell this property. I have struggled many years to accomplish the land assembly and dealt with the many changing administrations within City of Oakland, not to mention dealing with the hardship of operating a business in East Oakland(DEO).

My passion for holding this property and avoiding a fire sale runs very deep...not much unlike how Phil protects your Rotunda property and how he earned his new nickname.

Please consider my request. I am available to discuss if needed.

Randall Whitney
415 716 9898

Randall Whitney
Thomas Capital Investments
1818 Mount Diablo Boulevard
Walnut Creek CA 94596
(925) 988-0804 Facsimile (925) 988-0897

From: Lenatcci@aol.com [Lenatcci@aol.com]
Sent: Monday, June 03, 2013 12:34 PM
To: Randall Whitney
Cc: dfink@californiagroup.com; bcollins@californiagroup.com; lenatcci@aol.com
Subject: (no subject)

6-2-13

Randall

I received your email. I do not recall our meeting but it is certainly possible we might have had a brief conversation or correspondence with regards to a request by you to borrow money.

It is my understanding that Brian Collins and Damian Fink met with Kyle Everett and provided accurate and detailed information to him in regards to selling these properties as instructed by the Bankruptcy Court.

I am not sure what you are objecting to or why but I am surprised that you would question the court appointing CCIG to dispose of the properties. If anything since it may benefit you, I would think that you would be pleased.

I am not actively involved in this transaction and your email was the first I heard of it; however if you are objecting to CCIG listing the property I would be interested in knowing what the objection is.

Len Epstein
California Capital & Investment Group
(510) 268-8500